DATE ISSUED: March 14, 2003   REPORT NO. 03-050

ATTENTION: Rules, Finance and Intergovernmental Relations Committee
                 Agenda of March 19, 2003

SUBJECT: Status of Seat Management Initiative

SUMMARY

THIS IS AN INFORMATION ITEM ONLY. NO ACTION IS REQUIRED ON THE PART OF THE COMMITTEE.

BACKGROUND

Seat management refers to the concept of providing desktop information technology (IT) infrastructure support while charging a fee on a "per seat" basis. Functions that are included in this initiative are:

- A central "infrastructure" help desk that will take care of the below functions
- Local/wide area network support
- Consolidated management of GroupWise email servers
- Consolidated management of file & print servers

By integrating these services under a single offering, the City should be able to realize savings as a result of efficiencies of scale and reduction of duplicative resources, City departments that previously did not have dedicated IT resources will receive an improved level of service, and City IT resources will be freed up to concentrate on supporting departmental/business applications or reallocated as appropriate, thereby improving productivity and providing better citizen services.

The decision to embark on the seat management initiative was arrived at during a City Executive Seminar held on July 12, 2002, when the results of the IT Organization Project were being briefed. One of the recommendations made by the Acuent Consulting Group (the consultancy

engaged to assist in the conduct of the project) focused on centralizing IT functions that are common across all departments. After extensive discussion, it was decided to conduct a seat management pilot in order to:

1. Establish acceptable service levels,

2. Demonstrate that the San Diego Data Processing Corporation (SDDPC) can provide the agreed upon service levels as measured by performance metrics, and

3. Validate the financial model to assess the financial impact of implementing seat management.

DISCUSSION

The following four departments are participants in the pilot program:

- Planning Department (all divisions)

- Engineering & Capital Projects (Water/Wastewater Facilities Division)

- General Services (Equipment Division and Storm Water Division)

- Water Department (TBD)

Memorandums of understanding (MOUs) have been completed for all but the Water Department, which is under final discussions. Individual MOUs were chosen in order to identify for each participant (1) the total cost of the migration to and operation within the seat management environment, and (2) higher levels of service if required. The goal will be to offer a basic level of service that will be adequate for most departments, and then a limited number of higher levels of service for those departments that need it (e.g., 24x7 support).

The status of the pilot is as follows:

E&CP: Water/Wastewater Facilities Division	Completed migration into the seat management environment on November 13, 2002.
Planning Department	Completed migration on January 13, 2003.
General Services Department	
Equipment Division	Completed migration on February 11, 2003.
Storm Water Division	Undergoing a detailed discovery phase and is scheduled to complete migration on April 7, 2003.
Water Department	Finalizing the MOU; estimate commencing migration in mid- to late April.

The experience to date has been very positive. Over 385 City users are currently being supported through seat management, not including Water Department or Storm Water Division. Specific benefits realized by Water/Wastewater Facilities Division include:

- Reduced the projected FY04 budget for services covered by seat management by $160,000.

- Reduced the time required to implement PC hardware refresh from an initially planned 7 weeks to 6 days.

- Realized $50,000 in labor cost savings to deploy new software.

It is anticipated that sufficient data will be accumulated by June 2003 to complete the pilot period. Analysis will then be conducted to identify the financial impact to the Departments and the potential overall cost savings to the City. In parallel, a review will be conducted to assess what changes need to be made to service level provisions and performance metrics. It is anticipated that the results will be presented to the City's IT Governance Committee in the first quarter of FY04 for formal approval and commencement of Citywide implementation.

Respectfully submitted,

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